GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

ITE&C Dept - Promotion Wing - Tailor-made incentives to M/s Daikin Airconditioning India Pvt Ltd for the expansion projects, and new investments in Sricity, Tirupati, with a proposed investment of INR 2,475 Cr, potential to create 5,150 jobs – Orders –Issued**.**

INFORMATION TECHNOLOGY, ELECTRONICS AND COMMUNICATION [IT,E&C] (PROMOTIONS) DEPARTMENT

G.O.MS.No.16 Dated : 29.05.2025

Read the following

1. G.O.Ms.No.16, ITE&C (Promotions) Dept., dt: 09.09.2014
2. G.O.Ms.No.05, ITE&C (Promotions) Dept., dt: 30.10.2024
3. The proposal of M/s. Daikin Air-conditioning India Pvt Ltd
4. State Investment Promotion Committee Meeting , dt: 12.05.2025
5. State Investment Promotion Board Meeting , dt: 15.05.2025
6. G.A. (CABINET) Department , U.O.No.185/2025, dt: 20.05.2025

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In the references 1 &2, the Government of Andhra Pradesh issued the Andhra Pradesh(AP) Electronics Manufacturing Policy to position the state as a global hub for electronics manufacturing by addressing infrastructure gaps, by promoting innovation and through emerging technologies, and attracting investments, for driving employment and economic growth.

2. In the reference 3, M/s Daikin Airconditioning India Pvt Ltd requested for tailor-made incentives for the expansion projects, and new investments in Sricity, Tirupati, with a proposed investment of INR 2,475 Cr, and the potential to create 5,150 jobs.

3. The expansion of a Daikin air conditioning unit in Andhra Pradesh can lead to the development of a robust ecosystem, attracting players in the supply chain and further downstream and upstream activities. The ecosystem partners have collectively generated a total investment of INR 2,061 crore and created 8,674 employment opportunities.

4. In the reference, the State Investment Promotion Committee (SIPC) has discussed recommended to the State Investment Promotion Board (SIPB) for according certain incentives to M/s Daikin Airconditioning India Pvt Ltd for the expansion projects, and new investments in Sricity, Tirupati.

5. In the reference 5, SIPB approved the following;

i. "The company can apply for incentives under AP Electronics Policy 2014-20 for the existing investment of INR 1,604 and employment of 2,513 in Sricity.

(P.T.O)

ii. On the proposal of the expansion of the Air Conditioning manufacturing plant in Sricity with a proposed investment of INR 2,475 Crore and employment generation potential for 5,150 persons, recommendations are as follows:

a) The expansion projects are considered under the mega category.

b) The proposed package of incentives under AP Electronics Policy 4.0 (2024-29) for the expansion is as follows:

#	Incentive	Scope	Details
1	Investment Subsidy	As per Policy	30% on EFCI
2	Top Up – Employment Subsidy	As per Policy	5% on EFCI (E/I ratio is >2)
3	Top Up - Value Addition Subsidy	As per Policy	5% on EFCI (15% value addition ratio)
4	Stamp Duty	As per Policy	100% stamp duty reimbursement
5	Power Subsidy	As per Policy	INR 1 per unit for 5 years
6	Recruitment Assistance	As per Policy	INR 4,000/male & INR 6,000/female first-time employees for the first 6 months
7	Net SGST Reimbursement	As per Policy	Reimbursement of 100% of Net SGST for 5 years
8	Electricity Duty	Tailor Made	Reimbursement of 100% of the electricity duty paid for 5 years

6. In the reference 6, the Government considered the proposal of M/s. Daikin Airconditioning India Pvt. Ltd., the recommendation of the SIPB and issued the following orders

"a) *Approved for extending incentives to M/s. Daikin Airconditioning India Pvt. Ltd. under the provisions of the Andhra Pradesh Electronics Policy 2014–20 as per eligibility for its existing investment of INR 1,604 crore and employment generation of 2,513 persons at its manufacturing facility located in Sricity, Tirupati District.*

b) Sanctioned the tailor-made incentive package under the Andhra Pradesh Electronics Policy 4.0 (2024–29) for the proposed expansion of the Air Conditioning manufacturing facility at Sricity, involving a proposed investment of INR 2,475 crore with an employment potential of 5,150 persons, and to consider the project under the 'Mega Project' category as per policy guidelines."

(Contd...3)

7. The MD, APTS and the VC and MD, APIIC shall take necessary action.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

BHASKAR KATAMNENI
SECRETARY TO GOVERNMENT

To
M/s Daikin Airconditioning India Pvt. Ltd, Sricity
The Secretary to Govt., Industries & Commerce Department, Government of Andhra Pradesh
The Commissioner and I.G., Stamps and Registration
The Vice Chairman and Managing Director, APIIC, Mangalagiri
The Director, Industries& Commerce, Andhra Pradesh
The Commissioner, Information and Public Relations, Andhra Pradesh
The Chairman & Managing Director, ASPCPDCL
The Commissioner, Labour, Andhra Pradesh
The Vice Chairman, VUDA/TUDA/VGTMUDA
The District Collectors & Magistrates,Tirupati, Andhra Pradesh
The VC TUDA, Tirupati, Andhra Pradesh
The Managing Director, APTS, Vijayawada
The CEO, APEDB
The MD, Sricity

Copy to:
The Secretary, Ministry of Electronics & Information Technology (MeitY), GoI.
The Chief Minister's Office, Government of Andhra Pradesh
The PS to Chief Secretary to Government of Andhra Pradesh
The PS to Prl. Finance Secretary, Government of Andhra Pradesh
The OSD to Minister for HRD, IT,E&C, RTGs, Government of Andhra Pradesh
The PS to Minister for Finance, Government of Andhra Pradesh
The PS to Minister for Revenue, Government of Andhra Pradesh
The PS to Minister for MA&UD, Government of Andhra Pradesh
The PS to Minister for Energy, Government of Andhra Pradesh
The PS to Minister for Labour, Government of Andhra Pradesh
The ZM, APIIC , Tirupati

// FORWARDED :: BY ORDER //

SECTION OFFICER